



Joint
Legislative
Millennium
Fund
Committee

February 8, 2018

Idaho Legislature

JOINT LEGISLATIVE MILLENNIUM FUND COMMITTEE

State Capitol
Room C305
Boise, Idaho 83720

SENATE MEMBERS

Patti Anne Lodge, Chairman
Dan Johnson
Fred Martin
Janie Ward-Engelking
Grant Burgoyne

HOUSE MEMBERS

Fred Wood, Chairman
Stephen Hartgen
Robert Anderst
Phylis King
Mellissa Wintrow

SUPPORT STAFF

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*TO: The Honorable Members of the Senate and House of
Representatives of the State of Idaho*

Pursuant to Section 67-1804, and Section 67-1808(6), Idaho Code, the committee is privileged to submit its annual report and recommendations for legislative consideration.

Respectfully submitted on behalf of the Joint Millennium Fund Committee,

Senator Patti Anne Lodge
Co-Chairman

Representative Fred Wood
Co-Chairman



February 8, 2018

Idaho Joint Legislative Millennium Fund Committee

Title 67, Chapter 18, Idaho Code

FY 2019 Report and Recommendations

Committee Membership

The Joint Millennium Fund Committee consists of ten members - five members from the Senate and five members from the House of Representatives. Three members are appointed by the President Pro Tempore of the Senate, one of whom is co-chairman of the committee, and two are appointed by the Minority Leader of the Senate. In the House, three members are appointed by the Speaker, one of whom is co-chairman, and two are appointed by the minority leader of the House of Representatives. The term of a member coincides with the term of election to the Legislature. Any vacancy on the committee is filled by the appointing authority of that member, and members may be reappointed to a subsequent term. Current members are:

Senate

Patti Anne Lodge, Chairman
Dan Johnson
Fred Martin
Janie Ward-Engelking
Grant Burgoyne

House

Fred Wood, Chairman
Stephen Hartgen
Robert Anderst
Phylis King
Mellissa Wintrow

Powers and Duties of the Committee

The committee is required to meet no less than twice each year. It establishes its own rules for governance and operation of committee proceedings. It may also solicit applications for funding from the Idaho Millennium Income Fund, and meet to hear testimony. The committee also has the power and duty to evaluate the actual and potential success of programs funded with moneys from the income fund, and to present recommendations annually to the Legislature. The committee is supported by staff from the Legislative Services Office.

Millennium Funds

The *Idaho Millennium Income Fund* consists of distributions from the Idaho Millennium Permanent Endowment Fund, the Idaho Millennium Fund and such moneys that may be provided by legislative appropriations. The income fund is managed by the State Treasurer and retains its own earnings. The uses of this fund are determined by legislative appropriation.

The *Idaho Millennium Permanent Endowment Fund* consists of eighty percent of moneys received each year by the state of Idaho on and after January 1, 2007, pursuant to the master settlement agreement entered into between tobacco product manufacturers and the state, and any other moneys that may be appropriated or otherwise directed to the fund. Each year, the State Treasurer is to distribute five percent of the fund's average monthly fair market value for the first twelve months of the preceding twenty-four months, to the Idaho Millennium Income Fund, providing that the distribution does not exceed the fund's fair market value on the first business day of July.

Likewise, the *Idaho Millennium Fund* consists of twenty percent of moneys received each year by the state of Idaho on and after January 1, 2007, pursuant to the master settlement agreement entered into between tobacco product manufacturers and the state and any other moneys that may be appropriated or otherwise directed to the fund. Each year, the State Treasurer is to distribute five percent of the fund's average monthly fair market value for the first twelve months of the preceding twenty-four months, to the Idaho Millennium Income Fund, providing that the distribution does not exceed the fund's fair market value on the first business day of July.

FY 2019 Millennium Income Fund Revenue

5% REVENUE DISTRIBUTIONS TO INCOME FUND

1. July 1, 2017: Millennium Permanent Endowment Fund (0545)	13,571,000	
2. July 1, 2017: Idaho Millennium Fund (0540)	<u>1,500,500</u>	
TOTAL DISTRIBUTIONS TO MILLENNIUM INCOME FUND		\$15,071,500
LESS: Investment Management Consulting Fees		<u>(\$80,000)</u>

TOTAL REVENUE AVAILABLE FOR FY 2019		\$14,991,500
LESS: 2018 Committee Recommendation of Ongoing Funds for Health & Welfare (\$2,706,700) and for the Public Health Districts (\$750,000)		<u>(\$3,456,700)</u>
TOTAL REVENUE REMAINING FOR FY 2019		\$11,534,800

Committee Meetings

The Joint Millennium Fund Committee held a summer meeting in Boise on July 26, 2017 in room EW 20 of the Idaho State Capitol Building. All committee members attended. The committee reaffirmed a prior vote of 6-4 from a March 2017 meeting to not request or consider applications for FY 2019. On February 6, 2018, the committee met to vote on its recommendation for the Joint Finance-Appropriations Committee (JFAC). All members except Representative Anderst attended.

Committee Recommendations

On February 6, 2018, a motion was made by Senator Martin to recommend continued ongoing funding for the Department of Health & Welfare's Project Filter at \$2,706,700 and \$750,000 for the Public Health Districts tobacco cessation program. This motion passed with eight (8) yes votes, one (1) no vote (R. Wintrow), and one (1) absent (R. Anderst). The committee then approved a second motion by Senator Lodge to have any remaining moneys in the Millennium Income Fund be transferred to the Permanent Millennium Endowment Fund at the end of FY 2019. The motion was approved with seven (7) yes votes, one (1) no vote (R. Wintrow), and two (2) absent (R. Anderst and S. Johnson). Finally, the committee voted 8-0 on a motion by Senator Martin to meet again prior to Sine Die to discuss the committee process for recommending the funds for FY 2020.